

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 7081**

**BILL NUMBER:** HB 1293

**NOTE PREPARED:** Jan 2, 2003

**BILL AMENDED:**

**SUBJECT:** Regional sewer districts.

**FIRST AUTHOR:** Rep. Kruse

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** This bill requires board members of regional sewer districts appointed by the county executive to have certain qualifications. The bill requires the board to consider the past performance of each potential contractor and the ability of the contractor to design the project or perform the work so as to maximize the long term effectiveness of the project. It provides that a person who provides legal services to the board may not also provide legal services to a person awarded a design or construction contract by the board. This bill also requires the board to hire an engineer who has expertise in wastewater treatment technology. The bill also requires the board to seek advice on technical matters from certified system operators. This bill establishes an appeals board to hear appeals from sewer district board decisions and make recommendations to the district board on those decisions.

**Effective Date:** July 1, 2003.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** Requiring board members of regional sewer districts appointed by the county executive to have certain qualifications may result in changes in the membership of a regional sewer district; however, the changes should not have a fiscal impact.

Requiring the board to consider the past performance of each potential contractor and the ability of the contractor to design the project or perform the work so as to maximize the long term effectiveness of the project could result in a reduction in expenditures if the additional review results in an improved work

product.

Requiring the board to hire an engineer who has expertise in wastewater treatment technology and requiring the board to seek advice on technical matters from certified system operators would increase costs to the district. However, any additional expenses involved in consulting experts could be offset by fewer expenses associated with the maintenance of the system. The overall impact is indeterminable and would depend on existing local practices.

This bill establishes an appeals board to hear appeals from sewer district board decisions and make recommendations to the district board on those decisions. Establishing an appeals board will affect expenditures of the district. Also, appeals board members are not entitled to payment for serving as a member of the board; however, the member is entitled to be reimbursed for expenses incurred. The district is required to pay all expenses of the board as well as provide all supplies and support services for the board's operation. The fiscal impact is indeterminable and will depend, in part, on the number of appeals filed.

Under existing laws, a person would only be able to bring suit effectively in a court if the person could show that the rate was illegally established. Under the proposal the person could also challenge the action of the appeals board in a local court having jurisdiction. Consequently, local courts could experience a change in administrative expenses resulting from aggrieved parties bringing action. The impact, if any, on the courts is indeterminable.

**Explanation of Local Revenues:** This bill establishes an appeals board to hear appeals from sewer district board decisions and make recommendations to the district board on those decisions. The appeals board could impact revenues to the extent that the recommendations of the appeals board to the district could be implemented by the district and could result in either an increase or decrease in revenues collected.

**State Agencies Affected:**

**Local Agencies Affected:** Regional sewer districts, counties, and local courts.

**Information Sources:**

**Fiscal Analyst:** Bernadette Bartlett, 317-232-9586